

BOARD OF MAYOR AND ALDERMEN

March 19, 2002

7:30 PM

Mayor Baines called the meeting to order.

The Clerk called the roll.

Present: Aldermen Wihby, Gatsas, Guinta, Sysyn, Osborne, Pinard, O'Neil,
Lopez, Shea, DeVries, Garrity, Smith, Thibault, Forest

Mayor Baines stated we do have some people here to make a presentation and instead of having them wait, with the Board's consent I would have them come forward and make the presentation at this time.

Utilizing a visual aid handout reflected on screen, Mr. Arthur Beaudry stated thank you for having us here tonight to make this presentation on responsible contractor language. Basically let me give you some key points on why we feel this language should actually be enacted in the City ordinance. First let me introduce myself, my name is Arthur Beaudry and I am the President of the Manchester Central Labor Council. To my immediate right is Steven Joyce from the New England Carpenters and to my far right is Susan Maltese from Manchester. She is a laborer. To my left is Liz Skidmore. She is also from the Carpenters. Responsible contractor language. All contractors shall have a bonafide accredited apprentice program. This is actually a cost savings to the City. When you look at the civic center, they had to train the individuals who worked there when they were doing the land excavation at a cost of about \$150,000 to the City where if you had an accredited apprenticeship program most of the apprentices or all of the apprentices are certified in haz-mat and you would have saved \$150,000 on that project just by having a bonafide accredited apprenticeship program. Some of the buildings that have been built in the City that we have had considerable problems with are Engine 6 up on Amory Street. The roof leaked from basically day one. Water leaked through the windows. We had raw sewage backed up into the sleeping quarters and most of the sub-contractors on that job went Chapter 11 and subsequently the City had to come in and have somebody else to the repairs at an additional cost. Northwest Elementary School, as you know the ceiling caved in. Luckily no children were in the school at the time or somebody might have gotten killed. This is a situation that is very dangerous and it should have been noted before the construction of that project. McLaughlin School. The roof was leaking when they built that building. I believe they finally took care of the leaks, but again that is another building that was built in the City that has had

problems. Bid shopping. A lot of the small contractors that came before us tonight speaking in opposition to this...the bid shopping is really a concern that should be for the City. When you bid a job and I am going to use electrical for example, if you give a general contractor a bid for electrical of say \$1 million, he accepts that bid and then he goes out and looks at smaller contractors, sub-contractors and some of them might be independent and he will ask them can you bid that job, can you do the job for \$800,000. If they say yes, that \$200,000 just went into the general contractor's pocket. It didn't go into the City's coffer because you already had bid the job at \$1 million. Worker's compensation, healthcare benefits...again this is a cost to the local community if the individuals don't provide healthcare or worker's compensation. As you know, if people get sick or injured on the job they have to use our local hospitals and if they don't have healthcare to pay for it then it goes under the uninsured employee's benefits, which the insured employees have to pay for that cost. Local control. General contractors will have to get approval of all the sub-contractors. Right now they can hire any sub they want. They could be a sub that might have had problems with the City in the past and you really have no say in it. With this language, you would have to approve all of the sub-contractors so if there is a contractor out there that you had problems with in the past, you have the opportunity under this ordinance to say no we don't want this contractor. People who live in the City should have preference in working in the City. One of the gentleman said that he has people or a lot of his worker's are out of the State of New Hampshire or the City of Manchester but we have a lot of trades people who live right in the city and they would like to work in the city instead of having to go to Maine or Vermont or Massachusetts to get employed. If there is work in the city why shouldn't we hire our people that pay taxes in this city and live in this city to get the job in this city. With these key points said, I would like to turn the presentation over to Steve Joyce.

Mr. Steven Joyce stated I am a representative from the New England Carpenter's Labor Management Program. Thank you for allowing us to present tonight. This ordinance essentially sets standards for public construction projects that are procured by the City. When the City, often after years of planning, enters into contracts for the building of bridges, roads, highways they shouldn't just be getting a piece of real estate or updating a piece of real estate. What you are actually doing is making an investment in the community. That should come in the way of good jobs and a good product and you need to maximize the benefits from your investment across the board because there are hidden costs sometimes or hidden benefits that you don't always see up front when entering into a contract. The goals in the creating the ordinance were to codify the community standards and level the playing field to allow all responsible contractors an opportunity to compete when bidding on these projects, to create and maintain local control by the City, to balance the short-term goals of keeping project costs low with the long-term goals of creating jobs that are healthy for the members of the community. The goals are possible while keeping the ordinance fairly simple and having little or no associated cost. The Manchester standards would include that

all contractors work on public projects, provide health benefits that are comparable or greater than those provided to full-time City employees, that they participate in apprenticeship and training, that they cover all of their workers with worker's compensation insurance because that is already required by State law, that they properly classify their workers as employees and not as independent contractors to avoid having them eligible for benefits, and that they comply with any residency requirement that you may adopt, whether it is adopted as a plan, a policy or negotiated on a job by job basis, to certify on a regular basis that they are in compliance with the ordinance and the contractors would be required to seek City approval before sub-contracting any work to any other contractors. As Arthur said earlier, what you don't want to be is in a situation where you have folks who are working on City projects and you have no idea who they are. The jobs get sub-contracted so many times that often individuals who are working for one company are all considered independent contractors and you have no idea but you do have liability in those cases. Why require health insurance? Responsible contractors require health insurance for their employees and are disadvantaged when bidding against folks who don't. The contractors who don't provide insurance for their workers are also likely to put a strain on the resources of the community. In 1999 alone, Manchester hospitals provided approximately \$19.5 million in uncompensated care. That is people who went to the hospital, got care and there were no payments made to the hospital. In that year, the Catholic Medical Center provided about \$8.7 million and Elliot was at \$10.7 million of care that they did not get paid for. Throughout New Hampshire it was \$111 million. Right now, hospitals in this area are operating on a very close margin. CMC was operating as of 1999 at zero to less than zero of a margin. That means that their operating costs were equal to or exceeding the operational income. It doesn't take much to figure what happens if people aren't paying their bills at that point. Elliot at that same time was operating at 2.5% in the positive on the margin. Still, very close. Today across the country legislatures are faced with decisions on Medicaid and Medicare on making cuts to payments of hospitals. Local hospitals that are on a very tight budget of providing services are going to have to do something if that money is cut. They are either going to have to provide fewer services or they are going to increase the price to everybody that is paying. In 1999, the Medicaid and Medicare combined made up about 44% of the payments to hospitals in New Hampshire. If that margin is cut, you can imagine what the effects are going to be on local hospitals. What we are asking for in this ordinance is that we don't do more damage...when you are spending those public funds that you are not doing more damage to those hospitals. Why require training? Well Manchester has certainly made a statement lately that one of its top priorities is education. Just as Manchester is building new classrooms for their students, requiring publicly funded projects to include a training program is an extension of that same commitment. Not all kids are going to go on to college. Nationally in 1999 only 25% of the folks over 25 in the country had graduated from a four-year college. More current statistics indicate 30% of the kids who graduate from high school in New Hampshire go on to some kind of college. That doesn't mean they are going to graduate but only 30% of the high

school graduates do not, I am sorry, do not go on to college. That 30% of people certainly goes higher because a lot of folks don't finish, but those folks need jobs and they need good paying jobs that have benefits also. Properly trained workers work safer and they are more productive and they turn out a better product. Why require industrial accident insurance? Worker's compensation insurance is important for all the same reasons as the health coverage that we talked about earlier. It is also the law that you are supposed to provide worker's compensation insurance for all of the workers on the job under RSA 281. The folks who don't provide it, they are gaining a huge unfair advantage over folks who are obeying the law. Cheaters realize just on worker's compensation alone more than 20% of their payroll costs in savings by failing to properly insure their workers. If it is already covered by State law why do you want to put it into a local ordinance? What happens is if somebody is violating the law and you know about it, you then report it to the State or to the Federal government who then has to have an investigation conducted then they put together a prosecution. By making this part of your contract, you are able to take immediate action when you know that there is a problem. Usually by the time prosecution comes around the job is already completed and you are left with the consequences. A lot of the folks that are working as independent contractors are below the radar screen. It is an underground economy. Many of them do not pay taxes at all. Many of them are avoiding child support payments. It is something that shouldn't be allowed to continue. Why insist the contractors properly classify their employees as such and not as independent contractors? It is probably one of the biggest abuses in today's construction industry. By engaging in this practice, the irresponsible contractors realize huge cost savings while committing tax and insurance fraud. Independent studies that have been done indicate that local, state and federal governments are using billions of dollars annually by this independent contractor scam. A 1992 study done by the University of Connecticut showed that in that state an estimated \$57 million in worker's compensation premiums, \$17 million in unemployment taxes, \$95 million in Social Security taxes, and \$267 million in Federal income tax payments were lost that year. If you think about that in today's dollars, the amount that is going out the window is huge. When you are looking at the Medicare and Medicaid payments, you are looking at the Social Security numbers. When you are looking at revenue sharing coming back to the Federal government, you are looking at the Federal income tax. The safety nets that are there for when employees are unemployed are in that unemployment number. If somebody is classified as an independent contractor, they are not likely to have that safety net and they are then going to get some other form of public assistance. The total tax losses in that year in those four categories were \$436 million and that would surely be money that would be welcome by the City of Manchester I am sure. The taxpayers who play by the rules are the ones who absorb all of those costs. We are asking you to seriously consider passing this ordinance.

Mr. Beaudry stated we would now like to have Susan Maltese from Manchester speak.

Ms. Susan Maltese stated I am a native and resident of Manchester, NH. I live in Ward 3 on Amherst Street and as a taxpayer I am here to express that I agree with this ordinance very much so. I work as a laborer and a landscaper. This ordinance is necessary today for several reasons. Many responsible contractors who deliver quality projects do not bid in areas where they just can't compete against irresponsible contractors. This would insure that Manchester is not one of the places these responsible contractors would avoid. Many unscrupulous contractors skirt many of the laws and fail to provide their employees with their rights under those laws. Many State and Federal agencies who are charged with enforcing the laws lack the proper resources to do so effectively. Contractors who fail to meet their obligations to their employees are also likely not to live up to their obligations to their clients. Think about that. The result is often shoddy workmanship. This ordinance gives the City of Manchester local control. By making the language of this document part of the contract, the City can take immediate action when it becomes aware of violations. The City will not be forced to wait for the State or Federal government to step in and come to the rescue, which often happens a long time after the project is completed and the City is forced to live with the consequences. Thank you.

Mr. Beaudry stated at this point I will open it up to questions.

Mayor Baines stated this will be going to a Committee of the Board.

Deputy Clerk Johnson replied we have a report of the Committee.

Mayor Baines stated I want to ask the Board if this can go to the Committee and that would be the time for review of this proposed ordinance.

Alderman Gatsas interjected stating that he had questions.

Deputy Clerk Johnson advised the presentation was part of the Committee report. We can present the Committee report and you can take the item up now in its entirety rather than in pieces if you want and then you could ask questions in regards to it.

Mayor Baines stated if we could just be respectful. I don't want to get into an hour-long situation here but we will entertain a few questions.

Alderman Gatsas stated the legislation that was proposed at the State level that was voted inexpedient to legislate is almost identical to this ordinance except for a couple of changes – the prevailing wage and something else. Let me ask you a question. Under Item 1 it says,

“all contractors shall furnish at their expense”. Does that mean 100% of the cost of the medical plan?

Mr. Joyce replied it says that they will provide the insurance.

Alderman Gatsas asked so they will pay 100% of the medical plan.

Mr. Joyce answered they would pay for the insurance, yes.

Alderman Gatsas asked would they pay for 100% of the medical plan.

Mr. Joyce answered it says it would be comparable to what the City does.

Alderman Gatsas relied it says “at their expense.”

Mr. Joyce stated “at their expense comprehensive hospital benefits for their employees and their families comparable to that of the City of Manchester employee’s health benefits plan.” What it is asking is that the folks who are working on construction projects for the City are treated similarly to those who work for the City. It is a matter of fairness.

Alderman Gatsas asked if you have a company that has let’s say 150 employees and for some reason 75 of them are...well let’s say the company is outside of NH and their plan is not comparable to the City’s but it is a health insurance plan. The State’s health insurance plan is not comparable to the City’s. What would we do, eliminate that contractor from bidding?

Mr. Joyce answered that would be at the discretion of the City. If you believe...if they are providing comprehensive health insurance and you believe that it is comparable to the City’s plan then you would accept their bid.

Alderman Gatsas asked but I would say that comparable means comparable. If it has \$100 deductible and the City has no deductible, that is not comparable.

Mayor Baines stated can I just interjected that this is only proposed language. This will be going to Committees and could be refined and changed and amended.

Alderman Gatsas asked, your Honor, what is your position on this.

Mayor Baines answered I don’t have a position on this at this particular point in time. I have seen this language and I think there are going to have to be some adjustments and some

changes in that and that is why we have a Committee process to look at it. It is going to go through the Committee process now. It is going to go to Bills on Second Reading and I know that some of the department heads have expressed a wish to come in and make some comments regarding it. There is going to be dialogue that is going to take place and I am sure there are going to be changes made.

Alderman Gatsas replied all I am saying is we had legislation at the State level that was the same and it was inexpedient to legislate for this same language to be put in the State statute and now we are back assuming this at a City level to put ourselves in a position that may be contradictory to what the State looks at.

Mayor Baines responded except that we do have the concept of local control in the State of New Hampshire and local municipalities can chose to adopt language in terms of who they select for contractors. That has been a New Hampshire tradition for a long time. We don't have to wait for the State to tell us what to do.

Alderman Gatsas stated but there has never been anything in an ordinance before.

Mayor Baines stated as I understand it this is just a proposal that is going to go into a Committee like a lot of things that go to committees. There is going to be reviewed and there are going to be changes and then there is going to be a vote. That is the way the process works.

Alderman Gatsas asked at CIP were there any changes made last night in that Committee.

Alderman O'Neil answered no. All there was last night was a presentation. There were questions from members of the CIP Committee and I think there was an understanding that it would be referred to the full Board tonight and that it had to go on for changes, revisions, and corrections to the Bills on Second Reading Committee.

Mayor Baines stated this isn't being recommended by the Committee, it is just being referred to...

Alderman O'Neil interjected we needed a process, a Committee to send it into. It could have gone to Lands & Buildings. It could have gone to Administration or CIP. It went to CIP. We cannot just refer items to the Bills on Second Reading Committee. They have to go somewhere first and that is all that happened last night.

Alderman Gatsas asked if this Board voted not to send it to Bills on Second Reading then what would happen.

Mayor Baines answered first of all I expect it to go to Bills on Second Reading.

Alderman Gatsas stated my question, your Honor, was if this Board voted against that.

Mayor Baines replied it has to go, under the procedures of the Board, to Bills on Second Reading.

Deputy Clerk Johnson stated it is a proposed Ordinance change and it would necessarily have to be taken up at Bills on Second Reading unless the rules were suspended or unless the Board decided that it didn't want to consider the Ordinance.

Mayor Baines asked but the normal process...

Deputy Clerk Johnson interjected the normal process would be to refer it to the Committee on Bills on Second Reading.

Mayor Baines stated I suggest that the Board follow the normal process.

Alderman Gatsas responded I believe what she said, your Honor, was that if this Board voted to send it to Bills on Second Reading. There has to be a vote from this Board to send it there.

Mayor Baines replied that is my recommendation.

Alderman Gatsas stated if there is not a vote on that, then it doesn't go.

Deputy Clerk Johnson replied that is correct.

Mayor Baines stated again my recommendation is that it go to the Committee on Bills on Second Reading and I think that was also the recommendation of the CIP Committee. It belongs in Committee because it needs further study and we have to get testimony regarding this. A lot of people want to weigh in on this. It is a very important step if we decide to go in this direction and all views must be heard. There should be no final decision on this tonight. I know there are going to be some language changes. There should be some language changes and we need to get to work on doing that.

Alderman Shea stated with all due respect to Alderman Gatsas, we are an elected body in Manchester and we don't take orders from the State regardless of how many people up there vote against an ordinance, it is up to us to make our own decisions. My second point is that

this is not a union situation. This is a worker situation. We want to treat others as we are treated and I believe that workers in Manchester who are working in construction should be protected, their children should be protected and their families should be protected. We have had incidents where a local person here flying down to Georgia was on a plane with people working at the civic center who were flying back and forth and lived at New Horizons and were eating at the soup kitchen. To me, that is unconscionable. We should protect the workers who are working for us. I see no reason...let's get this straight. It is not a union issue. It is not the union coming in. They are protecting people and if I were a construction worker and I had a family I would want medical benefits and health benefits and that is what this concern is about. We can do a better job naturally with all of the wording but I think it should be discussed. It is a pretty important issue for people working in construction and other trades.

Alderman Osborne asked can we send a report from the City Solicitor's Office along to the Committee on Bills on Second Reading.

Mayor Baines answered that will be what we will consider when we do the motion. So that the Clerk is satisfied with the way we are conducting business here, what is your recommendation Carol?

Deputy Clerk Johnson stated we would just like to get the report on the floor because technically we really haven't presented the report to the Board. That may answer some of the questions.

A report of the Committee on Community Improvement was presented recommending that a presentation be made to the Board of Mayor and Aldermen at the March 19th meeting by representatives of the NH AFL-CIO regarding changes to the City's procurement code. The Committee further recommends that following the presentation the proposed ordinance change be referred to the City Solicitor for technical preparation and to the Committee on Bills on Second Reading for technical review.

Alderman DeVries moved to accept, receive and adopt the report. Alderman Smith duly seconded the motion.

Mayor Baines called for a vote.

Alderman Gatsas stated I think this is very clear that this is an ordinance change. It is very clear what we are voting on right here. It is very clear and I would like a recommendation from the City Solicitor's Office about whether we are voting on an ordinance change right now.

Deputy Solicitor Arnold replied I am not sure I understand the question but my understanding is you are referring it to the Committee so that the Committee can consider it.

Alderman Gatsas responded do you want to read the report that was just submitted before you make a comment.

Deputy Solicitor Arnold stated the report that I am reading says "the Committee further recommends that following the presentation the proposed ordinance change be referred to the City Solicitor for technical preparation and to the Committee on Bills on Second Reading for technical review." No, that is not passing an ordinance, Alderman.

Mayor Baines stated we are not passing the ordinance tonight. We are taking this. It is a proposed ordinance that is going to the Committee for review.

Alderman Wihby stated my understanding is that it was a proposed ordinance from the Committee on Community Improvement and those ordinances always go to Bills on Second Reading anyway to look over and see if it is right. There could be changes done there. I just want to speak on some of things and I am going to abstain when this vote comes as somebody who works at the Labor Department but there are items in there that would be a cost savings to people and to the City if we did do it and there is also the training part of it. There are different issues in that...some I agree with and some I don't, but there are some in there that could save money and make some sense. I know that at the Department of Labor we have been looking to try to get some sort of sub-contractor employee coverage problem with worker's compensation because that is happening all of the time in the trades especially and it is costing workers their livelihood because there is not coverage. This would stop some of that in the way it is presented and there could be changes made. I don't see anything wrong with sending it to Bills on Second Reading knowing that there could be changes done there. I guess I wanted to ask...you said two departments wanted to come and talk.

Mayor Baines stated some department heads have spoken to me who deal with this issue. I know that Frank Thomas has indicated that he would like some input and Kevin Dillon as well and there may be some others.

Alderman Wihby asked so does the Committee have their input along with Alderman Osborne's idea as far as something from the City Solicitor.

Mayor Baines answered that was part of the report.

Alderman O'Neil stated I failed to do that last night because I had made a promise to both Mr. Dillon and Mr. Thomas that I would suggest that the folks making the presentation be

available to meet with both of them. It was suggesting that maybe Mr. Bowen from Water Works and Harry Ntapalis and the City Solicitor's Office also be included. Maybe they can exchange numbers out back and meet but hopefully they would also be available for the Committee as well. I failed to do that last night.

Mayor Baines called for a vote on the motion. There being none opposed, the motion carried.

CONSENT AGENDA

Mayor Baines advised if you desire to remove any of the following items from the Consent Agenda, please so indicate. If none of the items are to be removed, one motion only will be taken at the conclusion of the presentation.

Approve Under the Supervision of Department of Highways

- A. PSNH pole petition #11-880 for poles located on Blodget Street

Informational to be Received and Filed

- B. Minutes of the Manchester Transit Authority meetings held January 18, January 24, January 29 and January 31, 2002, and the Financial and Ridership report for the month of January.
- C. Minutes of the February 20, 2002 Mayor's Utility Coordinating Committee.
- D. Communication from State of NH Department of Environmental Services reference: 2002 Financial Assurance Compliance for Manchester Municipal Solid Waste Unlined Landfill Permit No. DES-SW-TP 97-009
- E. State of NH Department of Transportation notice of public hearing by DES Wetlands Bureau and the US Army Corps of Engineers regarding details on their application to fill wetlands on property located in Bedford, Manchester, Londonderry and Merrimack associated with the Manchester Airport Access Road project; advising that the hearing will be conducted at the Highlander Inn, Elms Conference and Reception Center Ballroom located off Brown Avenue in Manchester on Wednesday, April 17, 2002 at 6:00 PM.
- F. State of NH Department of Transportation listing of contemplated awards dated February 14, 2002.

REFERRALS TO COMMITTEES

COMMITTEE ON FINANCE

- G. Resolutions:

"Amending the 2002 Community Improvement Program, transferring, authorizing and appropriating funds in the amount of Twenty Seven Thousand Five Hundred Dollars (\$27,500) for the 2002 CIP 710002 Residential 50/50 Sidewalk/Curb Program."

“Amending the 2002 Community Improvement Program, authorizing and appropriating funds in the amount of Twelve Thousand Six Hundred Ninety Seven Dollars (\$12,697.00) for certain Health Projects including 2002 CIP 210302, 210502, 210802 and 211102.”

“Amending the 2002 Community Improvement Program, transferring, authorizing and appropriating funds in the amount of Ten Thousand Dollars (\$10,000) for the 2002 CIP 711302 LED Replacement Program.”

“Amending the FY2002 Community Improvement Programs, transferring, authorizing and appropriating funds in the amount of Fifty Thousand Dollars (\$50,000) for FY2002 CIP 613302 Business Revolving Loan Fund Project.”

“Amending the FY 1998 and FY2002 Community Improvement Program, transferring, authorizing and appropriating funds in the amount of Twenty Seven Thousand Four Hundred Eight Dollars (\$27,487) for the CIP 714102 Main Street/ Conant Street Traffic Improvement Project.”

“Amending the FY 2002 Community Improvement Program, transferring, authorizing and appropriating funds in the amount of Thirty Thousand Dollars (\$30,000) for CIP 215902 – MHRA/ O’Neil Center Repairs.”

“Amending the FY2002 Community Improvement Program, authorizing and appropriating funds in the amount of Forty Eight Thousand Three Hundred and Twenty One Dollars (\$48,321) for the CIP 714002 Urban Ponds Restoration Grant.”

REPORTS OF COMMITTEES

COMMITTEE ON ADMINISTRATION

- H.** Advising that it has approved a request from the American Cancer Society to hold their annual 18 hour “Relay For Life” event on May 17-18, 2002.
- I.** Advising that it has approved a request of Standing Room Only to extend the operating hours of their hot dog cart in front of Charley Peppers at 1181 Elm Street from 8PM until 2AM.

(Note: referral to Committee on Bills on Second Reading)

- J.** Advising that it has approved Ordinance amendment:

“Amending Chapter 92: Fire Prevention of the Code of Ordinances of the City of Manchester by increasing the charges in Sections 92.22 (C) and 92.22 (D) for fire alarm system inspections performed by the Manchester Fire Department.”

and recommends same be referred to the Committee on Bills on Second Reading for technical review.

COMMITTEE ON HUMAN RESOURCES

(Note: referral to Committee on Bills on Second Reading)

K. Advising that it has approved Ordinance Amendment:

“Amending Sections 33.024, 33.025 and 33.026 (Airport Shift Supervisor, Airport communications/Operations Specialist) of the Code of Ordinances of the City of Manchester.”

and recommending that same be referred to the Committee on Bills on Second Reading for technical review.

(Note: referral to Committee on Bills on Second Reading)

L. Advising that it has approved Ordinance Amendment:

“Amending Sections 33.027 (D) and 33.027 (F), Employee Recruitment and Selection of the Code of Ordinances of the city of Manchester.”

and recommending that same be referred to the Committee on Bills on Second Reading for technical review.

(Note: referral to Committee on Bills on Second Reading)

M. Advising that it has approved Ordinance Amendment:

“Amending Section 33.012 Maintenance of Plans of the Code of Ordinances of the city of Manchester by deleting language referencing maintenance of class specifications from Section (A) Responsibilities of the Human Resources Director.”

and recommending that same be referred to the Committee on Bills on Second Reading for technical review.

HAVING READ THE CONSENT AGENDA, ON MOTION OF ALDERMAN SHEA, DULY SECONDED BY ALDERMAN THIBAUT, IT WAS VOTED THAT THE CONSENT AGENDA BE APPROVED.

Communication from Town of Londonderry advising of Larry O’Neill’s resignation to the Manchester Airport Authority, and recommending Steve Young as his replacement.

Mayor Baines stated I would recommend that the Board suspend the rules and accept this nomination this evening.

Deputy Clerk Johnson asked can we accept the resignation first.

On motion of Alderman DeVries, duly seconded by Alderman Smith, it was voted to accept the resignation with regrets.

On motion of Alderman Thibault, duly seconded by Alderman Pinard, it was voted to suspend the rules and approve the nomination of Steve Young to the Manchester Airport Authority.

Mayor Baines presented nominations as follows:

Alderman Lopez to the Quality Council
Alderman DeVries to the Quality Council

Alderman Thibault asked what is the Quality Council.

Ms. Lamberton stated it is a representative group of the City employees who want to improve City government with ideas, with safety, employee morale...a variety of things that they have tried to do. One of the most successful things is events for employees in the City, social events.

A report of the Committee on Community Improvement was presented recommending that a request from the Chamber of Commerce for \$35,000 in CIP funding to convert the Manchester Transit Authority bus depot into a Downtown Visitor's and Welcome Center be granted and approved and for such purpose and amending Resolution and budget authorization have been submitted.

Deputy Clerk Johnson stated we would ask as part of that report that a motion be made following that to refer the Resolution to the Finance Committee.

On motion of Alderman Lopez, duly seconded by Alderman Osborne, it was voted to accept, receive and adopt the report.

Alderman Shea asked can Robin Comstock come up for a minute so she can expound on something. I think when we had the discussion last evening she indicated about the visitor's and welcoming center but there is also another project that we had discussed and this is for the new members of the Board so that there is clarification in their mind concerning the Travel and Visitor's Bureau that was discussed.

Mayor Baines stated just so you know we have been working on that and there is going to be a budget recommendation on that next Wednesday night when I present my budget.

Ms. Comstock stated that is a great question. There is a lot of confusion about the difference. They are two different things. A Convention and Visitor's Bureau is an agency that works to bring visitors to the community from outside of the State or outside of the community. That Convention and Visitor's Bureau will probably focus on small conventions and to some degree tourists or visitors as well. What we are proposing tonight

is actually a Visitor's Center, which receives guests once they arrive in a community and directs them throughout the community. So a Convention and Visitor's Bureau gets them here and a Visitor's Center welcomes them and directs them once they are here. What we are proposing is a Visitor's Center.

Resolution:

“Amending the FY2002 Community Improvement Program transferring, authorizing and appropriating funds in the amount of \$35,000 for the FY2002 CIP 811302 Downtown Manchester Visitor's Center.”

On motion of Alderman Forest, duly seconded by Alderman Thibault it was voted to read the Resolution by title only, and it was so done.

On motion of Alderman DeVries, duly seconded by Alderman Lopez, it was voted to refer the Resolution to the Committee on Finance.

Alderman Lopez stated I want to thank Georgie Reagan who has been working on this with the Chamber of Commerce for a number of months. She is the Arts Commissioner who spearheaded this.

On motion of Alderman Thibault, duly seconded by Alderman Garrity, it was voted to recess the regular meeting to allow the Committee on Finance to meet.

Mayor Baines called the meeting back to order.

A report of the Committee on Finance was presented recommending that Resolutions:

“Amending the FY2002 Community Improvement Program, transferring, authorizing and appropriating funds in the amount of Thirty Five Thousand Dollars (\$35,000) for FY2002 CIP 811302 Downtown Manchester Visitor Center.”

“Amending the 2002 Community Improvement Program, transferring, authorizing and appropriating funds in the amount of Twenty Seven Thousand Five Hundred Dollars (\$27,500) for the 2002 CIP 710002 Residential 50/50 Sidewalk/Curb Program.”

“Amending the 2002 Community Improvement Program, authorizing and appropriating funds in the amount of Twelve Thousand Six Hundred Ninety Seven Dollars (\$12,697.00) for certain Health Projects including 2002 CIP 210302, 210502, 210802 and 211102.”

“Amending the 2002 Community Improvement Program, transferring, authorizing and appropriating funds in the amount of Ten Thousand Dollars (\$10,000) for the 2002 CIP 711302 LED Replacement Program.”

“Amending the FY2002 Community Improvement Programs, transferring, authorizing and appropriating funds in the amount of Fifty Thousand Dollars (\$50,000) for FY2002 CIP 613302 Business Revolving Loan Fund Project.”

“Amending the FY 1998 and FY2002 Community Improvement Program, transferring, authorizing and appropriating funds in the amount of Twenty Seven Thousand Four Hundred Eight Dollars (\$27,487) for the CIP 714102 Main Street/ Conant Street Traffic Improvement Project.”

“Amending the FY 2002 Community Improvement Program, transferring, authorizing and appropriating funds in the amount of Thirty Thousand Dollars (\$30,000) for CIP 215902 – MHRA/ O’Neil Center Repairs.”

“Amending the FY2002 Community Improvement Program, authorizing and appropriating funds in the amount of Forty Eight Thousand Three Hundred and Twenty One Dollars (\$48,321) for the CIP 714002 Urban Ponds Restoration Grant.”

“Amending the FY2002 Community Improvement Program transferring, authorizing and appropriating funds in the amount of \$35,000 for the FY2002 CIP 811302 Downtown Manchester Visitor’s Center.”

ought to pass and be Enrolled.

On motion of Alderman O’Neil, duly seconded by Alderman Sysyn, it was voted to accept, receive and adopt the report.

Resolutions:

“Amending the FY2002 Community Improvement Program, transferring, authorizing and appropriating funds in the amount of Thirty Five Thousand Dollars (\$35,000) for FY2002 CIP 811302 Downtown Manchester Visitor Center.”

“Amending the 2002 Community Improvement Program, transferring, authorizing and appropriating funds in the amount of Twenty Seven Thousand Five Hundred Dollars (\$27,500) for the 2002 CIP 710002 Residential 50/50 Sidewalk/Curb Program.”

“Amending the 2002 Community Improvement Program, authorizing and appropriating funds in the amount of Twelve Thousand Six Hundred Ninety Seven Dollars (\$12,697.00) for certain Health Projects including 2002 CIP 210302, 210502, 210802 and 211102.”

“Amending the 2002 Community Improvement Program, transferring, authorizing and appropriating funds in the amount of Ten Thousand Dollars (\$10,000) for the 2002 CIP 711302 LED Replacement Program.”

“Amending the FY2002 Community Improvement Programs, transferring, authorizing and appropriating funds in the amount of Fifty Thousand Dollars (\$50,000) for FY2002 CIP 613302 Business Revolving Loan Fund Project.”

“Amending the FY 1998 and FY2002 Community Improvement Program, transferring, authorizing and appropriating funds in the amount of Twenty Seven Thousand Four Hundred Eight Dollars (\$27,487) for the CIP 714102 Main Street/ Conant Street Traffic Improvement Project.”

“Amending the FY 2002 Community Improvement Program, transferring, authorizing and appropriating funds in the amount of Thirty Thousand Dollars (\$30,000) for CIP 215902 – MHRA/ O’Neil Center Repairs.”

“Amending the FY2002 Community Improvement Program, authorizing and appropriating funds in the amount of Forty Eight Thousand Three Hundred and Twenty One Dollars (\$48,321) for the CIP 714002 Urban Ponds Restoration Grant.”

“Amending the FY2002 Community Improvement Program transferring, authorizing and appropriating funds in the amount of \$35,000 for the FY2002 CIP 811302 Downtown Manchester Visitor’s Center.”

On motion of Alderman Thibault, duly seconded by Alderman Lopez, it was voted to dispense with the reading by titles only.

On motion of Alderman Sysyn, duly seconded by Alderman Lopez, it was voted that the Resolutions pass and be Enrolled.

TABLED ITEM

11. Communication from Alderman Garrity requesting that the Board ask the Board of School Committee to either unfreeze approximately \$482,000.00 allowing that it be expended for SCOP projects chosen by the School Board, or be turned over to the City as unused funds for projects not completed.

This item remained on the table.

NEW BUSINESS

Alderman Shea stated I would like to just review for the members of the Board the justification that was given at the last meeting for the feasibility study and the justification when I asked and I believe you responded, your Honor, was that there was a market for luxury boxes, a market for naming rights, a market for a fan base, an analysis relating to the City’s financial situation and is there a market for baseball. That is the response that I received when I asked whether or not it was feasible. The *Nashua Telegraph* on line estimated the cost to build a ballpark to meet Double A standards would likely run to at least \$30 million. Another related problem, your Honor, which no one has taken into consideration but it has to do with the Committee that you recently met with with the Health Department concerning air quality is at present our air quality is considered serious because of our community not meeting air quality goals caused by vehicular emissions, which cause the air to become polluted subsequently resulting in sicknesses, mostly asthmatic sicknesses. What I am saying is if we are going to have a widening of Granite Street, if we are going to have a civic center, and if we are going to have a ballpark all concentrated in the same area then we are going to have to give consideration to how much pollution we are going to be emitting into the air in terms of residents and in terms of people living. My point is that all of these things are interconnected – the cost, the type of feasibility study that we would try to answer, the other different factors that go into it. I am just presenting this. My position is we shouldn’t have approved the feasibility study and I am not in favor of it and I can’t bring

it up because you have to vote in the affirmative in order to bring it for reconsideration. These are my concerns and other people's concerns as well.

Alderman Wihby stated I would like to bring it up. I did vote in the affirmative. I think it is a little premature to do the study right now, especially since a lot of people said that they think we passed it for this one particular issue where the people came up and we are limiting other people from coming in to talk to us. I think we ought to wait. I think we ought to set up some sort of Committee like we did for the civic center and look at having people come in and talk to us and do some advertising to see what people want to do. I don't think we should waste the \$50,000 right away. If we need it later because we have somebody who is serious about it, then we should do it. I did vote in the majority, your Honor, and I would like to move for reconsideration.

Mayor Baines asked could somebody advise us as to where we are with that whole process right now.

Mr. Clougherty stated the Board did authorize the study. We sent out a solicitation. It will be due next week but there is no contractual obligation or anything at this time so certainly if the Board wants to take an action we would follow the direction of the Board.

Alderman Wihby replied I am not saying that we might not do it later on if we do have enough people interested but I don't think we have to do it right now until we decide what we are going to do over there and how we are going to do it and let other people come in and talk to us.

Mr. Clougherty responded if that were to happen, we would follow solicitation and certainly select someone at this point and have them available to proceed at the pleasure of the Board.

Alderman Lopez duly seconded the motion for reconsideration.

Alderman O'Neil stated the discussion I had with City staff with regards to this is this came out of a recommendation from the Financial Advisor or Bond Council that it might make some sense for the City to figure out what is reasonable for baseball in Manchester. Now these are the second and third proposed teams that have been in the City. There was a team here about 18 months ago that eventually ended up in Maryland but had approached Manchester. I agree with the Mayor that if both of these do not come to fruition that there are going to be others looking at baseball in Manchester and we are on the radar screen. That is great for the City and I think it would be nice to have some idea of where we stand financially with this. Kevin, would it be correct to say that each proposal...if we don't do

this each proposal will have to have some kind of due diligence by outside sources for Bond Council and for the Financial Advisor?

Mr. Clougherty replied right. Just to recap what is happening, you had a number of teams or proposed teams coming forward to the City and asking for the City to consider some type of an action and in virtually every case it would be doing something with the construction of a facility for them. Each one of those proposals, although they all have merit, are all based on numbers and statistics and estimates that are made by those individual teams. There was no independent verification of the numbers or independent verification of the market. At some point if the Board of Aldermen just as with the arena and when we do things for the other enterprises, you need to do a feasibility study to independently test what the market is and not just take the word of this team or the other. You want to make sure is the market there. With the arena, for example, we did several feasibility studies and we tested it to make sure that the demand for luxury suites was independently verified, not by people who were interested in the development but by some independent voice. As we said, we think that if you have that information in hand you can evaluate...you are in a better position to evaluate the different proposals that come forward because you have your own set-up numbers in terms of what the market will bear in terms of the market for luxury suites and other things. If the Board at some point in time is going to contemplate moving forward in this area, a feasibility study is going to be required by the market as part of any bond financing that might have to occur. That is why it has been recommended. If the Board tonight is saying you are going to delay making decisions, understand that at some point in time you may have to do a feasibility study and it is going to take about 60 to 90 days to get done and it may cause a delay at that point. At some point, if there is going to be a reliance on things like naming rights and other things, you need to independently verify that and that is going to be something we are going to have to do.

Mayor Baines stated as of yesterday I asked the question of the staff, including you, whether you still recommended it. Everybody still recommended it because they felt it was important to do because if we were going to engage in discussions with other parties coming in, we do not have anything to sit down and discuss with them other than ideas.

Mr. Clougherty replied their numbers.

Mayor Baines stated that was the reason we came to the Board. There were a lot of discussions with members of the Board about this issue and wanting to do it...not necessarily these two proposals and maybe neither one of them will go forward but I know there are going to be other people coming in and spending a lot of time with us. We have nothing right now to sit down with them to discuss. That was our concern and Kevin reiterated that and that is why we brought in the Financial Advisor that you work with and he said to us if

you are going to...and I don't want to put the words in his mouth but basically if you are going to have these kinds of discussions and have it have any kind of substance, the City has to do a study to determine the issues that Alderman Shea outlined. Now whether you agree with that or not, which is the issue brought forward, that is the recommendation and it still remains the recommendation.

Mr. Clougherty stated that is true Mayor. When these proposals come back to you they are going to be proposals and they are going to include some estimates that different members of the teams have made and if the Board turns to us and says evaluate this, we have to have some independent source other than the people who are providing this information to look at. That was the basis for our recommendation.

Alderman Lopez stated I am concerned, just as Alderman Wihby is concerned, and I don't believe that we are saying that we would not do a feasibility study but when people come here and act unprofessionally as the one who wanted to build the stadium who was supposed to be here this evening and bring us some type of concept and he is not even here and according to the paper he wasn't going to show up...

Mayor Baines interjected hold on. I need to correct you on that because I don't believe there has been anything unprofessional at all here. They notified us that they don't have...they are not prepared to come in right now. They are still working to get the information and they will be here when they can make a presentation. They have been very, very professional. You know people are trying to do business with our City. These are good honorable people who are doing business with our City and there has been absolutely nothing that any of these parties have done that should be classified as unprofessional. These are people who are committed to spending their own money, looking at what they can do and looking at opportunities to invest in the City. At this point in time, no one has asked us for one cent, no one.

Alderman Lopez replied thank you for that clarification. I appreciate that very much, but it was mentioned at the last meeting and they said they would be here on the 19th. For whatever reason, we will just let it go but no proposal, no documentation has been presented to the Board of Mayor and Aldermen as to whether or not there is a real live proposal out there. We have been through this ball field thing so many times and that is all we are saying. Give us something concrete...at least I am saying and I shouldn't speak for the others but if there was something concrete that I could look at I think we have enough intelligent people in this City to say you know there might be something here after they make the proposal. If they come up and say you build a \$20 million stadium and I will manage it for you, I don't think I would be voting for something like that with every priority that we have in the City. I

do support not spending the \$50,000 until somebody comes to this Board and says this is what we have. Thank you.

Alderman Gatsas stated obviously during the discussion that we had at this Board level my feeling was that until we have something that is in place I don't think that any Board member is going to look at a proposal that says build a stadium, we will guarantee no loss, we will pay the debt service, we will give you a personal guarantee...I don't think we need a feasibility study to say that sounds like a pretty good deal for the City. On the other hand, as Alderman Lopez just said if they come forward and say we are not giving you any guarantees against loss, you build a stadium and we will talk to you about how long we are going to stay, then again there is no reason to do a study. Until we have somebody that comes in and at least lays an agreement on the table that makes some financial sense to this Board, we don't have to study it. Mr. Clougherty, when you said there were several people coming forward...I only saw two. Were there more than two?

Mayor Baines replied no we made it very clear that there have been three people...I made that clear right from the start that there have been three people who have come forward in the past year with discussions on baseball. Can I ask a question? Was there a feasibility study done for a civic arena before there was actually a proposal to build it? Did the City do a feasibility study to see if Manchester could afford it and had the financial wherewithal or did they actually have a proposal to build one before they did a feasibility study?

Mr. Clougherty responded the concept of a civic center has been around for a number of years. It resurfaced with a report that was done, I believe, by LDR that talked about doing an arena. My recollection is that the feasibility studies were done with Hunter Interest and Arthur Anderson to verify that. It was then followed up by a modified feasibility study with Charlie Johnson Company and then right before the vote we updated that again with Coopers Price Waterhouse, always trying to bring in different groups and verify the numbers right up until the last minute. The estimates of the activity were important because if a group comes before you and says yes we will guarantee the bottom line and we are going to be doing all of these things with revenues and that sounds good, that is great and at that point the Board is going to want to be able to go out and independently verify that the cash flows they are making their decision and proposal on are accurate and not something that is self-interesting.

Alderman Lopez stated from 1991 until 1996 there were seven studies done.

Mayor Baines asked on what.

Alderman Lopez replied the civic center.

Mayor Baines stated well the answer was yes.

Alderman Lopez replied the answer was yes and various people in the City of Manchester did the studies until the Finance Department got involved in the final aspect of it. Other people did do studies.

Mayor Baines responded that is what I wanted to say. You usually do these things to find out if there is a market for them so if we are going to spend a lot of staff or my own personal time, which I do...a good part of my job is meeting with people who want to invest in the City, I thought and in working with experts in the field and bringing in financial people I said you really should have a basis for discussion. That is all we are asking.

Alderman Wihby stated I know when the votes were placed last week we had them sitting there and they said they had their numbers all ready and in another day or two they would have everything wrapped up to give to Bill. It was almost like you felt your back was against the wall and you had to make some sort of a move because they were that far ahead and that is why we said come forward in two weeks and present the plan and they said there were no problems. Now maybe you don't have the plan but at the time I felt like we had to vote because our backs were against the wall and we had something coming tomorrow. There is no reason why we can't...your Honor I see a perfect candidate in the back room standing up, Skip Ashooh, who can take this proposal with MDC and sit down with some people and go out there and let people know that Manchester is welcoming people. The day after we voted for this someone approached me and said you know I have a team that I would like to have looked at in Manchester too and you guys just messed me up. I said no not really we are looking at anybody but the feeling out there was we are doing it for them. If we wait and let MDC or someone else go out and say hey everybody come forward and let us know what you want to do and sit down with those people who are interested...I am not saying that we aren't going to do the study. At some time for bonds we are going to need the study but we can wait to do the study until we see how many people are interested. If there is only one we might as well sit down and listen to what he proposes. If there are five or six maybe it is better to get some sort of a consensus from them with a sub-Committee and then move forward with it.

Mayor Baines stated just for clarification we didn't vote on this at the last meeting, we voted on it two meetings ago. Am I correct? Did we vote on this at the last meeting or two meetings ago?

Deputy Clerk Johnson answered the feasibility study was voted on on February 19.

Alderman Wihby stated well they were supposed to come back today.

Mayor Baines replied all I am saying is that we voted on doing the feasibility study prior to hearing from those people two weeks ago.

Alderman Wihby responded I thought we voted on it when they were here.

Mayor Baines replied no we did not. We voted for the feasibility study before you people even knew that there were two groups interested.

Alderman Gatsas stated I agree with you and there were only four of us who were in opposition.

Mayor Baines stated I just want the record corrected that you were not forced into voting for a feasibility study because the people were before you. You actually voted for that at the meeting before that.

Alderman Wihby asked were both groups not prepared to come forward today.

Mayor Baines answered they said they were not prepared and needed some more time.

Alderman Wihby asked, Kevin, what harm is it if we postpone this until we know a little more about what we want to do and got a more people involved. How is that going to affect our bond rating?

Mr. Clougherty answered it isn't, Alderman. What we are trying to do is make sure that when the Board has to make a decision that they have not just the proposals from the company but their own study.

Alderman Wihby stated if we get that far we will do it.

Mr. Clougherty responded right and if you want to do it beforehand so you can entertain these or after that is fine. We are just getting on the record saying at some point this really has to be done.

Mayor Baines asked, Jay, do you want to offer anything. I would like you to come forward because again I did ask the staff yesterday to reaffirm why they felt as strongly as they did in terms of us doing this and they had not changed their mind on this and neither have I.

Mr. Taylor stated there are two issues here in my mind, which I would like to bring up. One is I hate to use the...I will use an analogy and excuse me depending on your view of

gambling I am going to use a gambling analogy. The analogy I would like to draw here is a poker game and basically what the Mayor and the staff is operating in is a poker game where the people coming in with these proposals know what your hand is and we don't know what their hand is. That is the situation we are operating under. They have all the information and we have zero. There is also an issue of timing. Let's assume, for example, that we were to wait until we got a proposal to try to respond. The time lag between going out for a proposal and getting the proposal is probably 60 to 90 days. So if we got a proposal we wouldn't be able to respond for 90 days because we wouldn't have the information to deal with it. Currently, we have the issue of the City's credibility. Each time we go out and do an RFP and go out for proposals and we pull it back after we have already advertised it and gone out for proposals, we damage our credibility in terms of doing this process in the future. That is my concern. Are they going to say well gee we are not going to respond to this because we are not sure if the City is really going to do this or not so we won't even bother to send a proposal in. These are the issues that I think I am concerned about personally as we consider this.

Alderman Gatsas stated to respond to your analogy, the only difference is it is our bat and our ball. Have we ever sent out an RFP and pulled it back?

Mr. Taylor replied I am not sure that we have. Nothing that I have been involved in we have I can say that, but maybe there have been instances where we have done that.

Alderman Gatsas asked so this isn't a recurring situation that we would go out with an RFP and pull it back.

Mr. Taylor answered no but it only has to happen once and then you lose some credibility. That is all I am pointing out.

Alderman Gatsas stated it still doesn't preclude the City from being in the driver's seat.

Mr. Taylor replied no and to follow-up on that I guess I am going to follow-up on a point that Kevin made earlier and that is that in order not to completely terminate the process that we have already begun, if the Board in its wisdom this evening decides that it wants to delay the process, I suppose there is a way that we could do that and still keep the current proposals alive as long as we had some assurance that we are going to go forward at some future date.

Alderman Smith stated I would just like to give a little bit of history of what went on in the last two months. On February 12, the CIP Committee met and we had a communication from Jay Taylor, the Economic Development Director as well as from the Finance Officer

for a transfer of \$65,000. We had a problem, if you remember, because \$10,000 was for the courthouse and \$50,000 was for the baseball study. It went to the Board of Mayor and Aldermen on February 19 and we separated the funds and we all voted for...not all of us but a majority of the people voted for the feasibility study on February 19. On March 5, we had those two proposals, which I was a little bit upset about because I wasn't ready and they weren't real proposals. What I am trying to say is I don't like switch hitters. You don't change in the middle of the game. What I am saying is that these people have some concrete evidence and we don't have anything and I would not rely on anybody else's figures. I would rather rely on my figures and that is why I think we should go along with this feasibility study.

Alderman Shea stated I wanted to pick up on Jay's analogy because I couldn't help it. First of all, a card game is a raw deal. I think we would be in a better position once we found out what they have to offer. In other hands, we would have the upper hand. That is my comment. I think, your Honor, that the more information that we can make available to the experts like Jay and Kevin and others and have them assimilate this information and then after they assimilate it then if the need be that we have to conduct our own feasibility study we can use the information that they are providing to us. The other way around is if we conduct our own feasibility study then they present their feasibility study and we don't get as full or complete a picture because we cannot in a sense refute anything they are giving us if simultaneously we are going along with them. Once they give us what they have to offer we can contrast that and we can also perhaps look at different people who would offer a better situation for the taxpayers of Manchester because in the final analysis no matter which way we break it down somehow or other the bottom line is that the taxpayers are going to have to pay at some point. Maybe we will get revenues back but they are going to have to pay so that is what I would reason to be the best approach. I agree with Alderman Wihby's proposal.

Mr. Taylor stated I would agree that in the sense that the information that the proposers give to us is their information and it is clearly going to be based on a bias. It is going to be based on them trying to get the best deal that they can for themselves and that is the American way. On the other side of that is at the moment, Alderman, we have zero information with which to respond or make a counter proposal with.

Alderman Shea replied excuse me but we have a study that we did in 1997, I believe, that has some information so we don't have zero. We paid so much money...I think Kevin if you would verify that.

Mr. Clougherty responded the study that was done by Parks was a study as I recall by a landscape architect to take a look at the physical structure of primarily Gill Stadium. It was

not a feasibility study in the sense that it went out and tested the market and I think that is an important difference that Jay is trying to make. If the team comes back to you and says based on our figures we think we could put in 6,000 people every night for games and they will generate X number of dollars and that fits their program to get into say Gill Stadium and have everything work and we go out on our side independently and contact businesses and individuals and do our own separate canvassing and our consultant says you know the best you are going to get with Triple A baseball or Double A, and we would ask them to break that out, is 4,000 people the at that point, you have got some differences here that need to be reconciled so if the Board goes forward they feel comfortable knowing what kind of cash flow is going to go through that building and that there is some reliability other than just accepting somebody else's numbers. The feasibility study that was done back a number of years is more pointed towards the physical structure than the financial side and that is the piece that has been missing.

Alderman Guinta asked a feasibility study suggests or alludes to the fact that there is going to be some sort of public financing does it not.

Mayor Baines answered it would talk about the whole financial picture.

Alderman Guinta stated but if I came to the City of Manchester and said I want to spend 100% of my own money to build a baseball facility then the City of Manchester, theoretically, would not have to spend \$50,000 on a feasibility study because there is no risk to the City. Is that a fair statement?

Mayor Baines replied we would have to look at other issues perhaps in the City like traffic, planning...there would still be a lot of issues to discuss with the City.

Mr. Clougherty stated if there were somebody that came back and did make that proposal you obviously would want to go through a little bit different due diligence process to verify that they had the wherewithal to do that, especially if they are asking the City to donate the property or participate somehow in that proposal. That is what you always want to make sure is that at the end of the day it is going to be a deliverable product.

Mayor Baines stated there would be some kind of study involved.

Alderman Guinta stated initially I did vote for this because I thought the idea of baseball in Manchester was a good one and I still think that but since this process has been accelerated and knowing at least two individuals who are interested and possibly more potential people would be coming forward, I don't see a real problem in waiting for a little bit of time to expend the \$50,000. I think it would make sense now that we recognize at least two

individuals and possibly more would be coming forward to be somewhat cautious and it may be a short period of time like 30, 60 or 90 days before we spend this money but I think now it would be prudent to see what the proposals are from Mr. Weber and from the second group regarding Gill Stadium. Somebody had mentioned that there was a process we could initiate to wait to expend the \$50,000 and still keep the RFP's in check.

Mayor Baines replied I appreciate that viewpoint.

Mr. Taylor stated I would just like to say that I think the crux of the issue is...I think we could all sit here tonight and agree that if somebody comes in and says to the City of Manchester we would like you to build us a \$10 million or \$15 million stadium that is going to be at the taxpayer's expense I think you could all sit here and agree that is dead on arrival. What we are trying to find out is what kinds of revenue streams are available to us to offset those costs so that we don't put this on the backs of the taxpayers. This is what we are asking to do in order to find out what these other revenue streams are. I don't know and I don't think anybody else does for example, what the naming rights for a facility might be worth. I have no idea what the concession rights or the pouring rights might be worth and these are the kinds of figures we are trying to determine so that when we get a responsible proposal we can react to it in a responsible way and I think that is what we are asking.

Mayor Baines stated other than saying to people when they come in oh baseball is a good idea. That is basically all we can say right now. I don't know what else more to say.

Alderman O'Neil stated if I think back to the two proposals we had a number of weeks ago, timing was important in both of them. The group with regards to Gill Stadium, they admitted they have been having discussions with other cities. The Weber group from Lowell, the purchasing of the team is a key so timing is very important and delaying the project with either proposal for 60 to 90 days at minimum could cost the City the opportunity to have baseball. That is a fact. This document is going to be good for us for a number of years. We may have to, on occasion, just update the information but we don't have to go back out and do an entire feasibility study. I would strongly urge my colleagues here to support going out and doing a feasibility study.

Mayor Baines stated the only thing I would like to say to the Board is I think everybody knows whether they are going to vote for reconsideration now. We could continue to discuss this for the next hour and the votes are going to be like they are. I would suggest that very shortly we vote to see whether you want to reconsider it or not.

Alderman Lopez asked, Jay, could you tell me are you running this project or is Bill. I am confused as to...the RFP went out with Bill's name on it and handwriting and everything else on the RFP. Who is in charge of this project?

Mayor Baines answered let me respond to that. The Mayor is and we worked as a team on these efforts. Bill happened to be given the responsibility to do that but the Mayor has been in the center of these discussions with Jay, with Bill, with Kevin and we have always discussed this as a group and we will continue to do so. There is no one person in charge.

Deputy Clerk Johnson stated I just wanted to clarify with the Solicitor because there was a question as to whether it was a reconsideration or whether it was actually a motion to rescind the previous action. At this point, it would be a reconsideration of amending and accepting a report to approve up to \$50,000 for a feasibility study of minor league baseball in Manchester.

Mayor Baines called for a vote on the motion as outlined above. Alderman Wihby requested a roll call vote. Aldermen Wihby, Gatsas, Guinta, Sysyn, Osborne, Lopez, Shea, DeVries, Garrity, Thibault and Forest voted yea. Aldermen Pinard, O'Neil, and Smith voted nay. The motion carried.

Deputy Clerk Johnson stated the motion on the floor at this point would be to amend and accept the report of the Committee on Community Improvement to approve up to \$50,000 for a feasibility study of minor league baseball in Manchester.

Alderman Wihby moved to table this item.

Mayor Baines asked what would that do.

Deputy Clerk Johnson answered it would leave the Committee report on the table until the next meeting.

Alderman Guinta duly seconded the motion to table.

Mayor Baines called for a vote. The motion carried with Alderman O'Neil, Pinard and Smith voting in opposition.

Mr. Clougherty asked can we get some clarification on the last motion. If the sense of the Board is that at some point you may want to go forward could we get some consensus that allows us to continue with the RFP process so that we could at least agree on a consultant so that when you are ready to do the study we are ready to move forward.

Alderman Wihby asked it is not going to cost any money because it is already done right.

Mr. Clougherty answered no it wouldn't cost any money. It is out there.

On motion of Alderman Wihby, duly seconded by Alderman Sysyn, it was voted to authorize the Finance Department to proceed with the RFP process and choose a consultant.

Alderman Gatsas stated on February 19 we had some conversation at this Board level about Derryfield Park and Mr. Clougherty was going to report back to CIP on how we could move some funds around. From what I understand and I didn't attend the meeting last night, but I guess there was no presentation made. Can we get some sort of commitment from staff as to when they are going to do that?

Mr. Clougherty replied we are doing it. We have contacted Bond Council and they are in the process of pulling out the documents necessary to get an answer to that and we hope to have it shortly.

Alderman Gatsas responded I understand you are saying shortly, Kevin, but we are in the budget process.

Mayor Baines asked how soon do you think you could have that, Kevin.

Mr. Clougherty answered we spoke to them and we hope to have it by the end of the week and have it for the next CIP Committee meeting.

Alderman Shea stated there was something in the paper I believe today concerning the graduation exercises.

Mayor Baines stated at the last School Board meeting...I had talked to Tim Bechert as I talk to him quite regularly but I talked to him a couple of months ago and said what is happening with the high school graduations because I thought there was a move afoot to have them there and he said he had some discussions with school officials and they talked about doing them all in one day. When the report came in on graduations at the School Board meeting if you happened to watch it I asked what is happening with the civic center and everyone was sort of looking around and saying they didn't seem to know. We had to approve the dates because the students need to know and so do parents, relatives, etc. so I asked them to pursue it. I hadn't heard much so I called Tim myself a couple of days ago and asked him about the dates of June 11, 12 and 13. He said he would be glad to reserve them for the graduations as he wasn't planning on booking anything for those dates and he was willing to sit down and

work with the School District to have the graduations at the facility. I did see a report in the paper today about the cost. That is not going to be the case. He is going to work with them on the cost. I think it is going to be around \$4,000 for all three graduations. As you know, there are expenses to open up with personnel, etc. He is willing to work with us on that. I contacted Mr. Adamakos and Mr. Tanguay and they are going to be having conversations with the high school principals to see if the students are interested in having the graduations there because there may be a preference to be outside. We don't know where the students weigh in on this issue but the dates are reserved and it looks like if the high schools want to have them there they will and SMG has been more than welcoming to them and is willing to work with us and I am very pleased to report that.

Alderman Shea stated I think, too, that a motion should be in order to refer this to the Civic Center Committee because obviously it does entail working together with the people.

Mayor Baines replied no it is all set. Nothing needs to be done. We have worked out all the details so there is no need for any committee to get involved. Tim is going to deal directly...it is the SMG entity that is dealing with them because as you know they have management rights to the facility.

Alderman Shea stated I think it is a wonderful idea and a plus for the City.

Alderman Wihby asked is there something wrong with just having one.

Mayor Baines answered the problem logistically with having them all in one day is you can imagine the number of people and the kids but also because...

Alderman Wihby interjected it would be more exciting for them.

Mayor Baines stated there was never any interest in having one graduation with three on the same day. Logistically that would probably be impossible and also the timing of the kids...you cannot alter the school day by State regulations prior to 175 days so it would have been impossible or not probable to do all three in one day. It is going to work out fine. It is a happy ending. It is happy story.

Alderman Wihby stated it is a way to save money to have one.

Mayor Baines asked would you want one football team too.

Alderman Gatsas stated I was made aware today by the Senate President that the I-93 widening mitigation program...I guess the number one property that the Federal EPA is

looking at is Hackett Hill for the mitigation. Two others I talked to, Senator O'Neil a short time ago and yourself will be getting a letter and I think it is important that we understand that that is an important issue for this City to rally around and make sure you protect that property.

Mayor Baines replied absolutely. I just became aware of that tonight and I will await the letter and we certainly will get very involved in that issue because I understand that way back, Jay, and I don't know if you want to respond but negotiations involved the EPA. Weren't they involved in the final solution of that property? Again, that was prior to my time coming here. I know Mr. Varney was very involved in it who is now the head of the EPA.

Mr. Taylor responded yes. As a matter of fact we are under agreement with the EPA and the NH DES to try to reserve a substantial amount of land on Hackett Hill for a permanent nature reserve. There has already been 342 acres of land that the City owned there conveyed to the Nature Conservancy. We are currently in the process of negotiating with two other property owners to add to that another 82 and 220 more acres, which will be hopefully included in that preserve so there is some movement in that direction and we are talking about a substantial amount of land, which will be dedicated to a nature preserve permanently. Hopefully that will satisfy their requirements but I don't know.

Alderman Garrity stated as Chairman of the School Board do you have any clue as to when they are supposed to be here to ask for an appropriation of their excess revenue.

Mayor Baines replied April 18.

Alderman Garrity asked on that date are they prepared to address the tabled item.

Mayor Baines answered I believe so.

Alderman Lopez stated I have two things. One is are we going to get a report from the Joint Committee on School and Aldermen and when?

Alderman O'Neil replied we are working hard at it. I am not sure we are going to meet our original timeframe. One of the issues that still needs to be worked out as an example is the health insurance, which Alderman Gatsas co-chairs with School Committee Member Gross. We can't do anything until Ms. Lamberton gets here report from the consultant, which is due on April 5. We actually changed the date of our next meeting. We were scheduled to meet on March 26 but we changed it to April 10. We are making some progress, but it is give and take and it could go on for a little longer than originally thought.

Alderman Gatsas asked did we move that so we can have the meeting here and swap back and forth. Can we meet here?

Alderman O'Neil replied one of the thoughts of meeting there is it is easier for parking.

Alderman Lopez stated I would just like to mention and I know that Mr. Thomas is working on the new ordinance to make a cleaner City and all of that but do you think your office could do something publicly to not wait...I noticed there was an article in the paper today about Adopt-A-Block but we don't need to wait to adopt-a-block in the City of Manchester to clean up the entire City. We need to get the sweepers out there more.

Mayor Baines replied I think we are going to wait until after the next snowstorm.

Alderman Lopez responded that won't be very long. We don't want to wait until July.

Alderman Guinta stated during the public participation portion of this meeting a Ward 3 constituent expressed some concerns regarding a key to the City that was given to firefighter Mike Verzi from New York and I just want to clarify my thoughts and sentiments on why that key to the City was given to that particular firefighter and I hope that we can clarify that not only for that constituent but anybody who does have a concern about it. I think that a key to the City can mean a lot of things but in the case of providing it to Mike Verzi it was not only a symbol of courage but excellence in service not only to the people in New York, but to the people of this country and I am very grateful that this City hosted Mike Verzi and I hope that we would continue to act in that manner.

Mayor Baines replied I appreciate that. As you know, we were one of 200...we got a letter from the U.S. Conference of Mayor's congratulating us for hosting that. That was a great honor for us to do so. Again, we were one of 200 communities across the nation who on that particular weekend...the firefighters went out all across America so that we could show our gratitude for the firefighters community in New York City but also as a symbol of what firefighting represents to all of us because we all have a new appreciation for that. I appreciate that and the keys do not hang here at City Hall. I am sure it is in a place of honor in Michael's home and I did receive a nice note from Michael the other day thanking the City.

Alderman O'Neil stated I want to remind everyone that the St. Patrick's Day parade is this Sunday at 1 PM. I know you will be marching, your Honor, but I want to remind my colleagues that you are all invited to march. Be in position up at Elm and Webster by about 12:15 PM or so and hopefully you can all make it.

Mayor Baines stated I wanted to announce that our St. Patrick's Day breakfast, for the second year in a row, we raised \$31,000 for the Special Olympics and March of Dimes and over a two year period have raised \$57,000. I want to thank the business community and the citizens for supporting that effort.

There being no further business, on motion of Alderman O'Neil, duly seconded by Alderman Thibault, it was voted to adjourn.

A True Record. Attest.

City Clerk